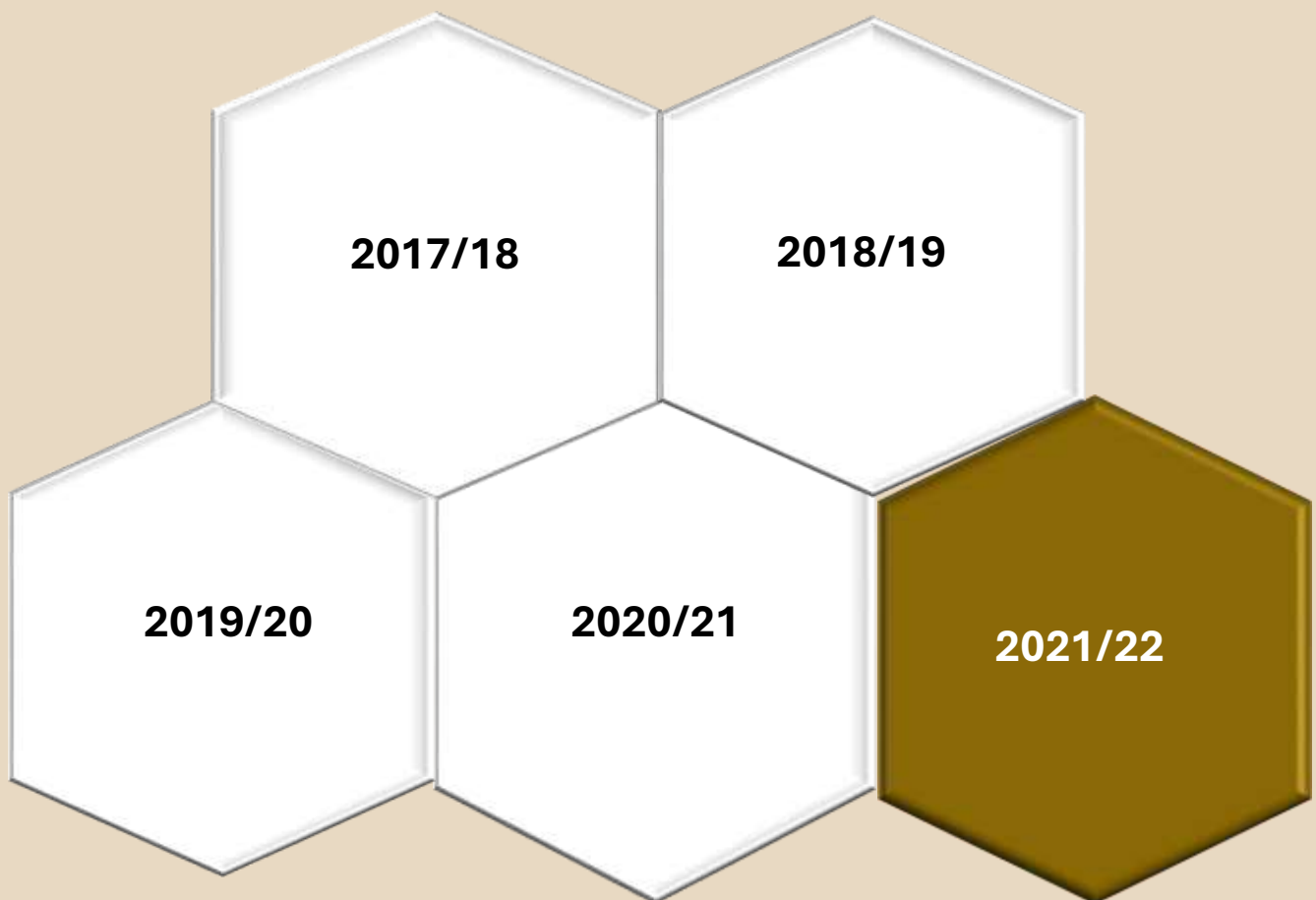




NATIONAL COUNCIL FOR HIGHER EDUCATION



Annual Report and Financial Statements

2021 – 2022

The electronic version of this report is available on the NCHE website at www.nche.org.na under publications.

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Our Logo embodies the following:

- The 'hut' symbolises a pyramid of which the 'sticks' represent the different academic streams which lead to excellence
- The different academic streams join and guarantee 'shelter' for the nation
- The 'hut' also symbolises unity through binding the different academic streams together
- This unified effort emphasizes coordination among our higher education institutions

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LIST OF ABBREVIATIONS/ ACRONYMS

COVID-19	Coronavirus Disease of 2019
HEMIS	Higher Education Management Information System
IOL	Institute of Open Learning
INQAAHE	International Network for Quality Assurance Agencies in Higher Education
ISBP	Integrated Strategic Business Plan
IUM	International University of Management
MHETI	Ministry of Higher Education, Technology and Innovation
MPE	Ministry of Public Enterprise
NCHE	National Council for Higher Education
NHESY	National Higher Education Statistical Yearbook
NPC	National Planning Commission
NQA	Namibia Qualifications Authority
NUST	Namibia University of Science and Technology
SAQAN	Southern Africa Quality Assurance Network
UNAM	University of Namibia

PREFACE

The financial year 2021/22 marks the final year in the implementation of the NCHE Strategic Business Plan 2017/18 to 2020/21. It is a year in which NCHE reflected on whether its efforts in the past five years have elevated the organisation as a valued leader in coordinating quality higher education in pursuit of a knowledge-based society.

This final year saw the finalisation of the Minimum Standards for Higher Education Institutions, which addresses the myriad challenges faced in regulating higher education. Another policy planning achievement is the nation and the global situational analysis of human resources development as part of formulating the National Human Resource Development Strategy.

In pursuance of evidence-based planning, the 2020 National Higher Education Statistical Yearbook was produced. Additionally, the analysis of the 2017-2018 cohort graduate survey provided insights into the trends and status of the graduates from the local institutions. The robustness of the higher education management system and the data management capacity was confirmed when NCHE spearheaded the recruitment of health and auxiliary professionals to mitigate the effects of the COVID-19 pandemic.

The quality of the higher education system was assured through the processing of applications for the registration of private higher education institutions, programme accreditation, and institutional quality audit. Further activities included the alignment, logical sequencing, and synchronisation of the quality assurance procedures between NCHE and other national statutory bodies.

The review of the current Business Strategic Plan and formulation of the 2022/23-2026/27 Business Strategic Plan are the key deliverables under the objective of enhancement of organisational performance. Notwithstanding the achievements attained, it has increasingly become untenable to expect a handful of staff to manage the coordination roles for the entire higher education system. Our hope is that the new Strategic Plan will create a platform for deliberations on resolving this organisational capacity challenge.



Prof. Samuel John
Chairperson



Dr Sylvia Demas
Deputy Executive Director

1. GOVERNANCE

The NCHE is a Statutory body established in terms on Section 4 of the Higher Education Act, 2003 (Act No. 26 of 2003) to advise the Minister responsible for Higher Education, on matters relating to Higher Education.

1.1 Functions

The Councils' functions, subject to the Higher Education Act (Act No 26 of 2003), are to:

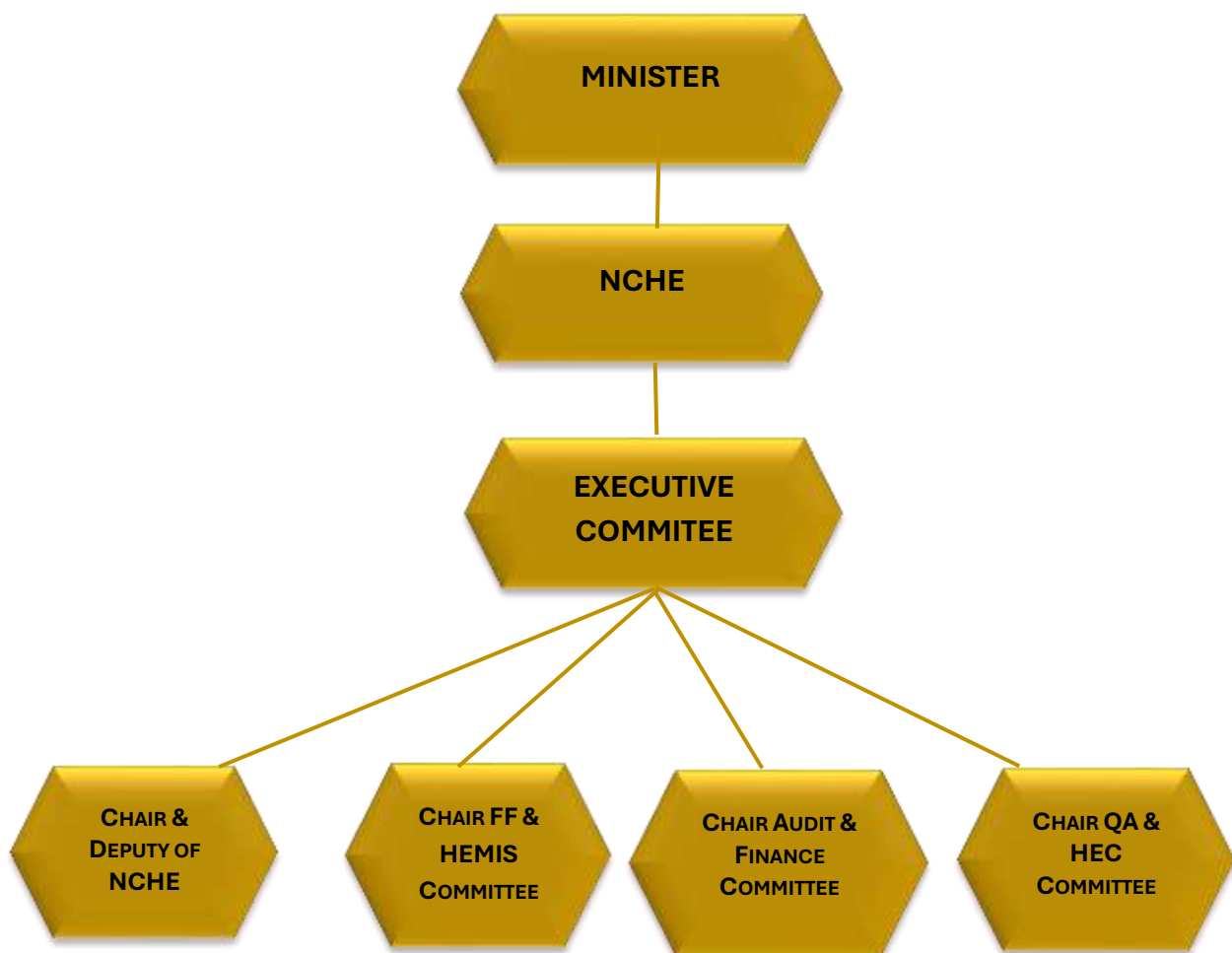
- accredit, with concurrence of the National Qualifications Authority, programmes of higher education provided at higher education institutions,
- monitor the quality assurance mechanisms of higher education institutions,
- undertake such research regarding its objects as it may deem necessary or as the Minister may require, and
- either on its own accord or at the Minister's request, advise the Minister on all issues related to higher education.

1.2 Council

The Higher Education Act, 2003 (Act No. 26 of 2003) prescribes 19 substantive members and 16 alternate members selected in terms of Section 7 (1) of the Act. The Executive Committee consists of the Council Chairperson and Deputy Chairperson, and the Chairpersons of the Committees. Currently the Council has three (3) Committees, i.e., Audit and Finance Committee, Quality Assurance & Higher Education Coordinating Committee and Funding Framework & Higher Education Management Information System (HEMIS) Committee.

The 2021/22 financial year saw the introduction of the appointment of Boards of Public Enterprises in line with the Public Enterprises Governance Act, Act 1 of 2019. Therefore, when the term of the 4th Council ended in 2021, it was extended in a streamlined fashion, with only 8 members excluding alternate members.

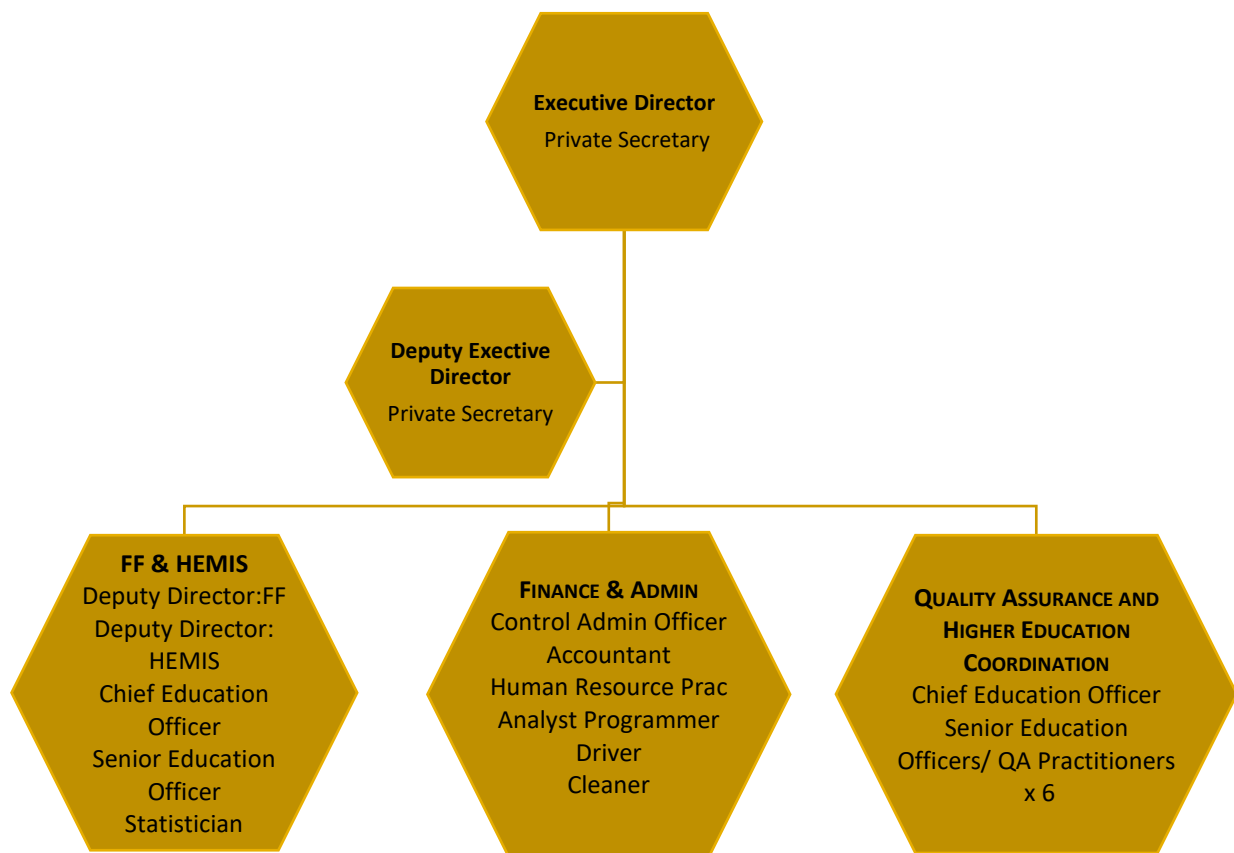
The Governance Structure



2. THE SECRETARIAT

NCHE is served by a Secretariat under the leadership of the Executive Director. The Executive Director serves as the Secretariat's Accounting Officer. The Secretariat comprises of staff members of the Ministry of Higher Education, Technology and Innovation (MHETI) designated by the Executive Director to perform the functions of the Secretariat. The functions of the Secretariat are to provide secretarial and administrative services and technical assistance as may be required by the NCHE or any committee of the NCHE.

Organogram of the Secretariat



3. HIGH LEVEL STATEMENTS

3.1 The Mandate

The Higher Education Act (Act 26 of 2003) stipulates the objectives of the NCHE as being to:

- promote the establishment of a coordinated higher education system;
- promote the access of students to higher education institutions;
- promote quality assurance in higher education; and
- advise on the allocation of funds to public higher education institutions.

3.2 The Vision

A valued leader in coordinating quality higher education in pursuit of a knowledge-based society

3.3 The Mission

To ensure a coordinated and responsive higher education system through equitable access and quality service delivery

3.4 Core Values

Integrity	We will adhere to moral and ethical principles by exhibiting the quality of an intuitive sense of honesty and truthfulness with regard to the motivation for our actions.
Professionalism	We will exercise high levels of competence in our work, and never compromise our set standards and values.
Accountability	We will acknowledge and take responsibility for our actions, decisions and policies, including the administration, governance and implementation within the scope of our role and encompassing the obligation to report, explain and be answerable for resulting consequences.
Equity	We will serve our employees, customers and stakeholders with uniformity of rule application, fairness, reasonableness and interpretation, and make decisions that are free from any bias or dishonesty.

Commitment	We will devote our time and energy to always meet our strategic objectives and satisfy our stakeholders' expectations.
Teamwork	We will continuously work together as a team to achieve our strategic objectives and reason for existence, and hold ourselves accountable for our team outputs

4. PERFORMANCE REPORT

4.1 Coordination of the Regulatory Framework and Compliance

4.1.1 Minimum Standards for Higher Education Institutions in Namibia

The minimum standards project inception report was adopted at the end of the previous financial year. Activities during this financial year started with the preparation of the discussion paper which was finalised in the second quarter. A stakeholder consultative workshop was held on 19 October 2021. The workshop was attended by 62 participants from different higher education institutions, statutory bodies and interested individuals. Comments from the workshop were incorporated, leading to the finalisation of the discussion document in early November 2021. After additional input from the Namibia Qualifications Authority (NQA), the general minimum standards were finalised by the end of November 2021. The final version of the standards was subjected to a quality review by an international expert recommended by the International Network for Quality Assurance Agencies in Higher Education (INQAAHE).



Consultative workshop on minimum standards for higher education institutions in Namibia

The finalisation of the minimum standards was delayed by a claim of unfair procurement procedures instituted by the Association of Private Higher Education Institutions in Namibia, which carried potential litigation. An investigation by the Office of the Attorney General concluded that the claim is unfounded and eventually advised that the project proceed as per plan.

4.1.2 *The National Human Resource Development Strategy (NHRDS)*

The formulation of the National Human Resource Development Strategy (NHRDS) resumed during the 2021/22 financial year. The line minister constituted a project core team with individuals from NCHE, the National Planning Commission (NPC), MHETI and the Namibia Training Authority. In addition to the core team, individuals were identified in key institutions to form a national technical committee. The contract for technical support was awarded to the Consortium for International Development in Education in October 2021. An inception report, further elaborating the methodological approach and updating the project schedule was produced.

Reports on the *National Situation Analysis* and the *Global Perspectives of Human Resources Development Challenges* were produced. Three workshops were held with key stakeholders to discuss the identified Niche Areas for the Skills audit. The stakeholders included the technical team from various Offices/Ministries/Agencies, the Executive Directors, development planners in NPC, the 4th Industrial Revolution Task Force on the 'Future of Work and Labour Force Re-skilling', and the Ministry of Education, Arts and Culture team responsible for the development of the teacher demand and supply model. NPC also shared the preliminary findings of the Fifth National Development Plan terminal review.

Timely delivery of the project outputs was challenged by the COVID-19 pandemic as the international consultants could not travel to Namibia for consultations.

4.2 Promotion of Evidence-based Planning

4.2.1 *Production of the 2020 Namibia Higher Education Statistical Yearbook*

The 2020 Namibia Higher Education Statistical Yearbook was compiled, printed and disseminated to key stakeholders and posted on the website. Analysis of the data revealed that a total population of 66,656 students was enrolled in

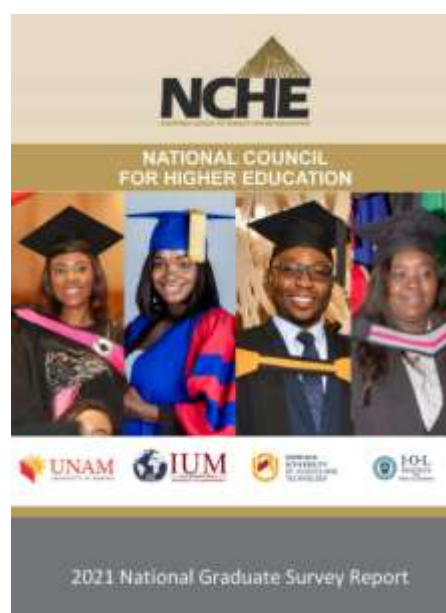
higher education programmes in 2020. The gender disparity remains at about 1:2 in favour of female students. The gross enrolment ratio stood at 28 percent. Many students were enrolled in the Education, Training, and Development field of learning (46 per cent), followed by Business, Commerce and Management Studies (22 per cent). Overall, 22 per cent of the students were in the Science, Technological, Engineering and Mathematical fields of learning. More than half (59.4 per cent) of the students were enrolled for Bachelor, Professional Bachelor and Bachelor Honours Degrees. Master and Doctoral degree students accounted for 3.0 and 1.2 per cent, respectively. Approximately 60 per cent of students passed examinations in the 2020 academic year. However, one-fifth (20 per cent) of the students failed examinations. In general, students are taking longer to complete studies.

4.2.2 Public Lecture

Due to the limited staff capacity and many competing priorities, there was no public lecture held 2021/22. It is hoped that staff recruitment anticipated in the 2022/23 financial year will partly relieve the staff capacity constraint and facilitate the implementation of planned activities.

4.2.3 The 2017-2018 Cohorts Graduate Survey

The University of Namibia (UNAM), Namibia University of Science and Technology (NUST), the International University of Management (IUM) and the Institute of Open Learning (IOL) participated in the 2017 and 2018 cohorts graduate survey. Data collection started during the last quarter of the 2020/21 financial year. Data analysis and compilation of the report were finalised in the 2021-22 financial year. A net response rate of 45 per cent was achieved.



The survey revealed that the duration of first job search was rather long, 16 months on average. Only 30 per cent secured first jobs within six months, 40 per cent took longer than 24 months to secure a first job. While 66 percent (including 4 per cent self-employed) of the graduates reported being employed, graduates from agriculture fields reported the lowest unemployment of 42 percent. Close to one-third (32 per cent) of graduates reported being

unemployed of which 19 per cent were busy with further studies and 6 per cent child-rearing. Completion of study within the minimum required period was at 73 per cent. Prolonging of studies was mainly due to failed examination (63 per cent), followed by financial difficulties (29 per cent). Seventy-eight (78) per cent of the graduates rated the relationship between the field of learning and area of work high, meaning the skills mismatch among the graduates who participated in the survey is only experienced by 22 per cent.

4.2.4 Evidence-based Planning in Alleviating the Effect of COVID-19 Pandemic

The worst effect of COVID-19 in Namibia was felt in 2021 when the *delta variant* attack resulted in many deaths in society. NCHE was tasked to represent MHETI and spearhead the Human Resources (HR) Cluster under the National Covid-19 Preparedness and Response Team of the National Disaster Risk Management Committee. This appointment took effect on 01 July 2021. The HR Cluster reported to the Special Cabinet Committee.

By October 2021, Ministry of Health and Social Services (MHSS) was assisted in recruiting 1,089 health and auxiliary workers. This milestone could not have been achieved if it was not for the NCHE coordination role which involved:

- the establishment of personnel requirements across health professions in the country;
- the establishment of geographic needs for health personnel;
- attraction of health professionals to apply for available jobs and the facilitation of speedy absorption of needed staff;
- devising an operational procedure for a speedy absorption of staff among MHSS, Office of the Prime Minister, Ministry of Home Affairs, Immigration, Safety and Security, Ministry of Labour, Industrial Relations and Employment Creation, the Public Service Commission and the Health Professions Councils of Namibia; and
- providing a medium-term plan (accreditation of the three focus health centres) to expand internships opportunities across professions.

Following the completion of the above activities, NCHE continued to coach the staff members of the Human Resource Management Directorate of MHSS in sustaining and maintaining the momentum of the established mechanisms.

The successful implementation of this exercise confirmed the robustness of the NCHE higher education management information system (HEMIS), which was used to identify the potential number of relevant graduates; the NCHE cordial

relationship with the higher education institutions which played a crucial role in tracing the relevant graduates; and the strong internal data management skills which the NCHE Secretariat deployed in processing the backlog of employment applications in MHSS.

4.3 Improvement of the Quality of the Higher Education System

4.3.1 Applications for the Registration of Private Higher Education Institutions

The year under review saw the registration of the Sunshine Private College was registered and gazetted in October 2021 (Government Gazette 7647, No. 209). The registration certificate was awarded at a ceremony 07 December 2021. Two existing institutions applied for name change. Headstart Montessori Teacher Training College cc changed its name to Headstart Montessori Teacher Training College (Pty) Ltd. Monitronic Success College for the amendment of its name from Monitronic Success College to River Higher Institute of Technology (Pty). Six (6) new registration applications were under consideration by the end of the financial year.

4.3.2 Institutional Quality Audit

The report for the institutional quality audit of IOL that was conducted in the 2020/21 financial year, was adopted in 2021/22. Two institutions - IUM and Headstart Montessori Teacher Training College were quality audited during the year under review. In general, all institutions demonstrated a commitment to upholding quality culture. However, pockets of improvement were highlighted in the areas of policy development, financial administration, and academic management. Feedback on the findings of the institutional audits was provided to the institutions and summaries of the audit reports were disseminated on the NCHE website. The full reports were handed over to the institutions by the line minister to the management of IUM, IOL, and Headstart Montessori Teacher Training College at a public ceremony held on 07 December 2021.

4.3.3 Programme Accreditation

Ten (10) new academic programmes were externally reviewed for accreditation during the 2021/22 financial year. Seven of the applications were received from NUST whereas three were received from the Sunshine Private College as part of the registration application. The external review exercise at NUST took place

from 08 September to 01 October 2021. The Sunshine Private College programmes were reviewed during the period 27-29 April 2021.

In addition to the accreditation applications of the new programmes, NUST submitted two improvement reports for programmes that were accredited with conditions. Both programmes were accredited for a full cycle of 6 years.

All programmes reviewed in 2021 were published on the NCHE website. Certificates for all the programmes accredited for a full cycle were handed over to NUST at a public event on 07 December 2021.

4.3.4 Partnerships and Cooperation Strengthened

The registration of the Southern African Quality Assurance Network (SAQAN) which commenced in 2020/21 was finalised during the year under review. It has initially been planned that the Zimbabwe Council for Higher Education would host the 5th SAQAN biennial conference in 2021. However, due to various reasons, this plan did not materialise. The conference and the general assembly were therefore postponed. As the host of the Secretariat, NCHE took over the responsibility of hosting the conference and the general assembly. Preparations have reached an advanced stage and both events are scheduled for the first quarter of the 2022/23 financial year.

Negotiations on the streamlining and sequencing of the Health Professions Councils of Namibia, NQA, and NCHE registration and accreditation processes took centre stage during the year under review. By the end of the reporting period, a draft document was pending adoption.



Heads of NCHE, HPCNA and NQA with their deputies after a consultative meeting

4.4 Ensuring Affordable Access and Equitable Allocation of Funds to Public Higher Education

4.4.1 Feasibility Study on Standardisation Tuition Fees for Higher Education Institutions

The responsibility for exploring the feasibility study on standardising tuition fees in private higher education institutions was assigned to NCHE by the line ministry in 2020/21 financial year. To ensure transparency and impartiality in the study, NCHE contracted a consulting company, Monasa Advisory and Associates (Pty) Ltd, to engage the private institutions on the subject. By the end of the financial year under review, the consulting company has submitted the final project report.

Lessons from around the world show that there has to be a significantly high level of government financial support for private higher education institutions when implementing tuition control. Moreover, there has not been any African country that has implemented tuition control. Also, the Republic of South Africa has been advised by Higher Education South Africa, the organisation representing South Africa's universities, to refrain from tuition control for private higher education institutions. The response to regulation from Namibia's private higher education institutions was mixed with institutions that indicated support for a centrally controlled tuition fee sounding a need for further dialogue between the government and the private institutions to obtain buy-in. The study concluded that under current fiscal challenges in Namibia, it is not

advisable for central tuition control for private higher education institutions to be instituted in the country. Rather, other means of improving access to higher education be explored instead of central control of tuition fees.

4.4.2 Administration of the Funding Framework for Public Higher Education Institutions

NCHE estimated the government subsidies for UNAM and NUST, using the institutions' Medium-Term Plan and Budgets and the global parameters, and in line with the framework of the Funding Framework for Public Higher Education Institutions.

The cost per standardised credit unit for 2022/23-2024/25 Medium Term Expenditure Framework was estimated at N\$389.60, whereas the higher education cost adjustment index, which determines the growth rate in tuition fees, was estimated at 5 per cent. The unexpected and devastating impact of the coronavirus was felt not only by the government but also at household levels, with some households losing income due to the closure of businesses or loss of employment. The result of this is possible inability of students to meet increased tuition fees. For this reason, two alternate tuition fee growth rates of 3 per cent and zero (no growth) were introduced.

4.5 Enhancement of Organisational Performance

4.5.1 Performance Management System

A new format of the Annual Business Plan was introduced in the 2021/22 financial year. This necessitated the reformulation of the Annual Implementation Plan to conform to the Ministry of Public Enterprise (MPE) Business Plan reporting obligations. The Business Plan was forwarded to the line minister for approval and onward transmission to MPE.

Performance agreements for all staff members were developed in accordance with the 2021/22 Implementation Plan. Furthermore, all performance agreements were reviewed on time.

4.5.2 Formulation of the Integrated Strategic Business Plan 2022/23-2026/27

The 2021/22 was the last financial year in the implementation of the 2017/18 – 2021/22 Strategic Plan. This, therefore, triggered the preparation of the 2022/23

- 2027/28 Integrated Strategic Business Plan (ISBP). The formulation of ISBP commenced with the situation analysis and mapping of future strategic interventions. The Plan is inspired by five core values (accountability, professionalism, integrity, innovation, and empathy) and rests on 4 strategic themes:

- Quality assurance compliance
- Research and Policy Planning Funding
- for Higher Education
- Organisational performance

Though the 2022/23-2027/28 ISBP was ready by the end of the 2021/22 financial year, it could not be finalised due to the absence of a Board at the end of the financial year.



Strategic Planning Workshop

4.5.3 Human Resource Development and Management

The annual staff training and development programme was compiled. Five (5) staff members were funded for qualifying training and 4 staff members funded to attend the INQAAHE conference, virtually. Three (3) staff members attended a workshop on 'Quality Assurance in University-Industry-Government and Other Key Stakeholders Linkages' in Ghana.

Staff morale and motivation was maintained through teambuilding activities and recognition of outstanding performance.

In May 2021, the Secretariat was delighted when the Council received a courtesy visit from the then newly appointed Deputy Minister for MHETI, Honourable Veno Kauaria. Sadly, she succumbed to the deadly COVID-19 pandemic in July 2021. To the date of this report, she remains the only policymaker who has ever graced the NCHE facility with a personal visit. The memories of her visit shall be cherished forever. May her thoughtful soul rest in eternal peace!



Late Hon. Veno Kauaria with the Secretariat on her visit to NCHE

4.5.4 Corporate Governance

Council and committee meetings were held as planned. The Secretariat management also held bi-monthly meetings. The Council term ended during the first quarter and was extended several times until 05 March 2022.

The NCHE Secretariat suffers from an acute staff shortage. To ensure that all work areas were assigned personnel, the Secretariate rearranged the organisational structure. NCHE continued to liaise with the line ministry regarding the provision of administrative staff. This resulted in the recruitment of the control

administrative officer, who joined the Secretariat during the last quarter of the year under review. This position is critical to the administration of the Public Procurement Act, 2015 (Act No. 15 of 2015).

Notwithstanding, the vacancies in key administration areas (finance, human resources) demand that staff members assigned to organisational core areas spend valuable time managing support roles. The deployment by MHETI of only one finance staff member at NCHE severely affects the proper administration of the financial management procedures, tantamount to compromising good governance. A second official or short-term support is required for oversight and preparation of financial documents.

4.5.5 Information Communication Technology, Marketing and Publicity

Twenty (20) laptops and accessories and 6 electronic data record management system (1 Bar code scanner, 1 Bar code printer, 4 Scanners) have been procured. The purchase of the IT equipment was necessitated by the need to replace obsolete equipment and to facilitate migration from manual to electronic filing. Scanning of documents and filing on the electronic folders has commenced.

The official website remained the main marketing tool for NCHE. The annual procurement plan, the private higher education institutions register, and the national graduate survey information were uploaded on the website. In addition, various bidding documents and bid opening reports were uploaded on the website in line with procurement guidelines. The graduate survey winners were further shared on the Facebook and Twitter accounts of NCHE. The NCHE quality assurance services were marketed on the national television and print media.

4.5.6 Financial Management and Audit

Following the enactment of the national budget by Parliament, the NCHE Board adopted the 2021/22 Financial Plan. Expenditure and financial reports were prepared on a monthly basis and evaluated by the Board, quarterly.

The audit backlog has partially been cleared. The Annual Report and Audited Financial Statements for the periods 2018/19 and 2019/20 were prepared, approved by council and presented to the Minister.

Preparation for the audits for the period 2020/21 commenced and is ongoing. At the end of the quarter, the recruitment process for a consultant to assist with the review of the trial balance and the preparation of the audit file was underway.

4.5.7 Procurement and Asset Management

The NCHE 2021/22 Procurement Plan was publicised on the institutional website as well as submitted to the Procurement Policy Unit. The procurement committee held periodic meetings as prescribed by the enabling law. Goods and services were procured in accordance with the procurement plan. The internal procurement structure and the procurement plan were amended and approved by the Procurement Policy Unit as and when the need arose. The small size of the organisation presents constraints regarding the number and level of procurement staff.

The office building defects were monitored, reported and maintained. All offices, and the NCHE terrain were cleaned on time. Office decongestion plans were regularly updated and implemented as necessitated by the COVID-19 regulations. Staff and facility security is maintained through an alarm system, security guards, and a controlled entrance.

Fleet management is monitored through monthly reports. All vehicles have been serviced and confirmed roadworthy, and the license discs were renewed. Five (5) tires were procured for the Quantum NCHE06NA. The Quantum bus (NCHE04NA) was issued to the Ministry of Health and Social Services for use in the fight against COVID-19 and has been returned after the agreed period.



Office fumigation due to COVID-19 pandemic

4.5.8 NCHE office construction

Phase 2A of the office construction work is completed. Site handover was achieved following the inspection of the lift by the Ministry of Labour, Industrial Relations, and Employment Creation. Training and demonstrations were conducted for 2 staff members on access control and data, uninterrupted power supply (ups), fire and safety, and alarm systems in the east wing (new building). For the Phase 2B construction, the Ministry of Works and Transport recommended that the current consulting team be appointed to continue with the project. Consequently, the team was issued bid documents. By the end of the financial year, the Ministry of Works and Transport was evaluating the cost of the engineers' submissions before the contract award.



Newly constructed east wing block and boundary wall

5. CHALLENGES

Although NCHE has so far managed to deliver with a lean structure, it has increasingly become untenable to expect a handful of staff to process and manage the registration, accreditation, funding, and related coordination roles for the entire higher education sector. The new Strategic Business Plan (2022/23-2026/27) requires resources (personnel included) for implementation. It is hoped that the Plan will create a platform for resolving the issues surrounding NCHE's status to help reposition and reconfigure the organisation into an efficient entity in line with the Public Enterprise Governance Act, 2019 (Act No. 1 of 2019).

NATIONAL COUNCIL FOR HIGHER EDUCATION

ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2022

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
General Information

Country of incorporation and domicile	Namibia
Council Members'	Prof. Samuel John (Chairperson) Dr. Francine Keendjele (Vice-Chairperson) Ms. Eva N Tomas (Member) Mr. Austin Samupwa (Member) Ms. Lineekela Ihuhua (Member) Ms. Rochelle Januarie (Member) Mr. Zacheus Kazapua (Member)
Auditor	PricewaterhouseCoopers Registered Accountants and Auditors Chartered Accountants (Namibia)

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
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National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Council Members' Responsibility and Approval

The Council Members are required by the Higher Education Act, 2003 to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Council as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently and supported by reasonable and prudent judgements and estimates.

The Council Members acknowledge that they are ultimately responsible for the system of internal financial control established by the council and place considerable importance on maintaining a strong environment. To enable the Council Members to meet these responsibilities, the Council Members sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the Council and all employees are required to maintain the highest ethical standards in ensuring the Council's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Council is on identifying, assessing, managing and monitoring all known forms of risk across the Council. While operating risk cannot be fully eliminated, the Council endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council Members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

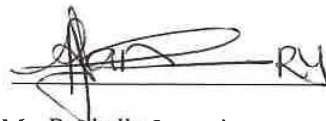
The Council Members have reviewed the Council's cash flow forecast for the year to 31 March 2023 and, in the light of this review and the current financial position, they are satisfied that the council has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the Council's annual financial statements. The annual financial statements have been examined by the Council's external auditor's and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 9 to 23, which have been prepared on the going concern basis, were approved and were signed on its behalf by:



Prof. Samuel John
Chairperson



Ms. Rochelle Januarie
Chairperson of Funding Framework, Finance and
Audit Committee

Windhoek

Date: 18 Oct 2024

Independent auditor's report

To the Members of National Council for Higher Education

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of National Council for Higher Education (the Council) as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

What we have audited

National Council for Higher Education's financial statements set out on pages 7 to 23 comprise:

- the council members' report for the year ended 31 March 2022;
 - the statement of financial position as at 31 March 2022 ;
 - the statement of surplus and deficit and other comprehensive income for the year then ended;
 - the statement of changes in equity for the year then ended;
 - the statement of cash flows for the year then ended; and
 - the notes to the financial statements, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Council in accordance with the International Ethics Standards Board for Accountants *International Code of Ethics for Professional Accountants (including International Independence Standard)* (Code of Conduct) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the Code of Conduct and in accordance with other ethical requirements applicable to performing audits in Namibia.

PricewaterhouseCoopers, Registered Auditors
Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Khomas Region, Republic of Namibia
P O Box 1571, Windhoek, Khomas Region, Republic of Namibia
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Country Senior Partner: Chantell N Husselmann

The Firm's principal place of business is at Unit No. 156, Maerua Mall, Centaurus Street, Windhoek, Khomas Region, Republic of Namibia

Partners: Anna EJ Rossouw (Partner in charge: Coast), Gerrit Esterhuyse, Samuel N Ndahangwapo, Hans F Hashagen, Willem A Burger, Nina A Coetzer

Practice Number 9406, VAT reg no. 00203281-015

Other information

The council members are responsible for the other information. The other information obtained at the date of this auditor's report comprises the information included in the document titled "National Council for Higher Education Annual Financial Statements for the year ended 31 March 2022." The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the council members for the financial statements

The council members are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the council members are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council members either intend to liquidate the Council or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.
- Conclude on the appropriateness of the council members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the council members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers
PricewaterhouseCoopers
Registered Accountants and Auditors
Chartered Accountants (Namibia)

Per: Samuel N Ndahangwapo
Partner

Windhoek, Namibia
Date: 22/11/2024

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Council Members' Report

The Council Members have pleasure in submitting their report on the annual financial statements of National Council for Higher Education for the year ended 31 March 2022.

1. Nature of business

The activities of the Council comprises of:

- Promoting the establishment of a co-ordinated higher education system;
- Promoting access of students to higher education institutions;
- Promoting quality assurance in higher education;
- Advising on the allocation of moneys to public higher education institutions

The operating results and state of affairs of the Council are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Events after the reporting period

The Council Members are not aware of any material event which occurred after the reporting date and up to the date of this report other than the impact of COVID-19 which Members of Council have concluded that it have no impact on the activities of the council.

3. Going Concern

The Council Members believe that the Council has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis.

The Council Members have satisfied themselves that the Council is in fair financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The Council Members are not aware of any new material changes that may adversely impact the Council.

The Council Members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Council.

4. Auditors

PricewaterhouseCoopers continued in office as auditors for the Council for 2022.

5. Council Members

The Council Members in office during the year of this report are as follows:

Name and Surname	Position	Date of end of term
Prof Lischen Haoses - Gorases	Chairperson	05 March 2022
Dr Samuel John	Vice-chairperson	Reappointed 17 August 2022
Prof Anicia Peters	Member	05 March 2022
Ms. Asnath Kaperu	Member	05 March 2022
Mr. Herman Rutz	Member	05 March 2022
Ms. Taimi Kapelwa	Member	05 March 2022
Prof Geoffrey Kiangi	Member	05 March 2022
Dr. Kavindame Kawana	Member	05 March 2022

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Council Members' Report

The council members in the office during the year of the audit exercise:

Name and Surname	Position	Appointment date
Prof. Samuel John	Chairperson	Reappointed 17 August 2022
Dr. Francine Keendjele	Vice-chairperson	17 August 2022
Ms. Eva N Tomas	Member	17 August 2022
Mr. Austin Samupwa	Member	17 August 2022
Ms. Lineekela Ihuhua	Member	17 August 2022
Ms. Rochelle Januarie	Member	17 August 2022
Mr. Zacheus Kazapua	Member	17 August 2022

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Statement of Financial Position as at 31 March 2022

	Note (s)	2022 N\$	2021 N\$
ASSETS			
Non-current assets		24,627,755	24,554,097
Property, Plant, and equipment	2	24,627,755	24,554,097
Current assets		23,238,335	21,185,308
Trade and other receivables	4	325,711	60,789
Cash and cash equivalents	5	22,912,624	21,124,519
Total assets		47,866,090	45,739,405
Equity and liabilities			
Equity		8,385,400	239,586
Retained Income		8,385,400	239,586
Non-current liabilities		36,584,217	42,370,645
Deferred income	6	36,584,217	42,370,645
Current liabilities		2,896,473	3,129,174
Trade and other payables	7	2,599,847	2,865,822
Provisions	8	296,626	263,353
TOTAL EQUITY AND LIABILITIES		47,866,090	45,739,405

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Statement of Surplus or Deficit and Other Comprehensive Income

	<i>Note(s)</i>	2022 N\$	2021 N\$
Revenue	9	22,100,000	5,100,000
Other Income	10	6,207,339	11,601,020
Operating expenses		(20,509,865)	(25,215,253)
Operating surplus (deficit)		7,797,474	(8,514,232)
Investment revenue	11	348,340	600,208
Surplus/(Deficit) for the year		8,145,813	(7,914,024)
Taxation	12	-	-
Total comprehensive income for the year		8,145,813	(7,914,024)

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Statement of Changes in Equity

	Retained Income N\$	Total Equity N\$
Balance at 01 April 2020	8,153,610	8,153,610
Surplus (deficit) for the year	(7,914,024)	(7,914,024)
Balance at 31 March 2021	239,586	239,586
Surplus (deficit) for the year	8,145,813	8,145,813
Balance at 31 March 2022	8,385,400	8,385,400

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Statement of Cash Flows

	Notes	2022 N\$	2021 N\$
Cash flows from operating activities			
Cash used in operations	14	7,299,852	(7,517,540)
Cash generated/(utilised) by operations		7,299,852	(7,517,540)
Interest received	11	348,340	600,208
Net cash from operating activities		7,648,192	(6,917,332)
Cash flows from investing activities			
Purchase of property, plant, and equipment	2	(5,860,086)	(10,419,844)
Transfer from other financial assets	3	-	23,273,992
Net cash from investing activities		(5,860,086)	12,854,148
Net movement in cash and cash equivalents		1,788,106	5,936,817
Change in cash and cash equivalents			
Balance at beginning of year		21,124,519	15,187,702
Net movement in cash and cash equivalents		1,788,106	5,936,817
Balance at end of the year	5	22,912,624	21,124,519

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Accounting Policies

1. Presentation of annual financial statements

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Higher Education Act, 2003. The annual financial statements have been prepared on the historical cost basis and incorporate the principal accounting policies set out below. They are presented in Namibian Dollar.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant, and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of property, plant, and equipment are determined based on Council's replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

The residual value of property, plant and equipment was estimated by management based on the specialized nature of the asset further costs to be incurred to sell it and age of the assets.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Deferred income

Deferred income is amortised to surplus, and deficit based on the depreciation of the property, plant and equipment it relates to. The estimation uncertainty pertaining to deferred income is therefore similar to that of property, plant and equipment as documented above.

1.2 Property, plant, and equipment

Property, plant, and equipment are tangible items that are held for use in the production or supply of goods or services, or for rental to others or for administrative purposes; and are expected to be used during more than one period.

Property, plant, and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Accounting Policies

1.2 Property, plant, and equipment (continued)

Cost includes costs incurred initially to acquire or construct an item of property, plant, and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant, and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant, and equipment as follows:

Item	Depreciation method	Average useful life
Land	Not depreciated	Indefinite
Furniture and fixtures	Straight line	10 years
Motor vehicles	Straight line	10 years
Office equipment	Straight line	5 years
IT equipment	Straight line	5 years
Building- assets under construction	Straight line	50 years
Other fixed assets	Straight line	5 years

Land is not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

An item of property, plant, and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant, and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

Gains and losses on disposals are recognised in surplus or deficit.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid unless the arrangement effectively constitutes a financing transaction.

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Accounting Policies

1.3 Financial instruments (continued)

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

Financial instruments at cost

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably are measured at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and other short-term highly liquid investments with original maturities of three months or less.

1.4 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases- lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

1.5 Impairment of assets

The Council assesses at each reporting date whether there is any indication that property, plant, and equipment may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in surplus or deficit.

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Accounting Policies

1.6 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

1.7 Provisions and contingencies

Provisions are recognised when the Council has an obligation at the reporting date as a result of a past event; it is probable that the Council will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Contingent assets and contingent liabilities are not recognised.

1.8 Government grants

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

Grants are measured at the value of the asset received or receivable.

1.9 Revenue

Revenue consists mainly of government grants.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.10 Taxation

The Council is registered under the Promulgation of Higher Education Act, 2003 of the Parliament of Namibia and is therefore exempted from corporate tax in terms of the said.

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

2. Property, plant, and equipment

	Mar-22			Mar-21		
	Cost/Valuation	Accumulated depreciation	Carrying Value	Cost/Valuation	Accumulated depreciation	Carrying Value
Land	482,500	-	482,500	482,500	-	482,500
Building	39,191,120	(15,963,620)	23,227,500	33,806,359	(10,578,859)	23,227,500
Furniture and fixtures	745,118	(652,171)	92,947	745,118	(577,659)	167,459
Motor Vehicle	2,758,037	(2,433,419)	324,618	2,758,037	(2,333,336)	424,701
Office equipment	142,147	(142,147)	-	142,147	(141,082)	1,065
IT equipment	1,335,898	(848,100)	487,798	860,575	(688,312)	172,262
Computer Software	258,133	(252,632)	5,501	258,133	(201,005)	57,128
Other fixed assets	72,962	(66,072)	6,890	72,962	(51,480)	21,482
	44,985,915	(20,358,161)	24,627,755	39,125,831	(14,571,733)	24,554,097

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

Reconciliation of property, plant, and equipment- 2022

	Opening Balance	Additions	Disposals/ other changes, movements	Depreciation	Impairment loss	Total
Land	482,500	-	-	-	-	482,500
Buildings	23,227,500	5,384,761	-	(744,482)	(4,640,279)	23,227,500
Furniture and fixtures	167,459	-	-	(74,512)	-	92,947
Motor Vehicle	424,701	-	-	(100,082)	-	324,618
Office equipment	1,065	-	-	(1,065)	-	-
IT equipment	172,262	475,325	-	(159,789)	-	487,798
Computer Software	57,128	-	-	(51,627)	-	5,501
Other fixed assets	21,482	-	-	(14,592)	-	6,890
	24,554,097	5,860,086	-	(1,146,149)	(4,640,279)	24,627,755

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

Reconciliation of property, plant, and equipment- 2021

	Opening Balance	Additions	Disposals/ other changes, movements	Depreciation	Impairment loss	Total
Land	482,500	-	-	-	-	482,500
Building	22,685,320	10,309,053	-	(578,068)	(9,188,805)	23,227,500
Furniture and fixtures	214,713	-	-	(47,254)	-	167,459
Motor Vehicle	1,141,799	-	-	(104,494)	(612,604)	424,701
Office equipment	3,722	-	-	(2,657)	0.42	1,065
IT equipment	267,719	110,791	-	(206,247)	0.07	172,262
Computer Software	143,990	-	-	(86,862)	-	57,128
Other fixed assets	52,080	-	-	(30,598)	-	21,482
	24,991,843	10,419,844	-	(1,056,181)	(9,801,409)	24,554,097

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

2. Property, plant, and equipment (continue)	2022 N\$	2021 N\$
Details of properties		
Erf 6446, Haddy Street, Windhoek		
- Donated value	<u>238,500</u>	<u>238,500</u>
Erf 6445, Hoogenhout, Windhoek		
- Donated value	<u>244,000</u>	<u>244,000</u>

Land comprises of donated properties.

Assets under construction comprises of the costs incurred for the construction of the offices of The National Council for Higher Education.

3. Other financial assets

Opening balance	-	23,273,992
Transfer to cash & cash equivalents		
	<u>-</u>	<u>(23,273,992)</u>
	<u>-</u>	<u>-</u>

Other financial assets comprises of a fixed term investment held at First National Bank of Namibia. The investment was fully withdrawn in the previous year.

4. Trade and other receivables

Other receivable	<u>325,711</u>	<u>60,789</u>
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5. Cash and cash equivalents

Cash and cash equivalents consist of:

First National Bank- current account	9,372,423	974,639
First National Bank- call account	7,111,882	8,049,138
Development fund: (Investment account)	-	-
First National Bank- SAQAN	389,562	347,365
First National Bank- 48 hour Accelerated	<u>6,038,757</u>	<u>11,753,376</u>
	<u>22,912,624</u>	<u>21,124,519</u>

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

	2022 N\$	2021 N\$
6. Deferred income		
The deferred income balance comprises of the donated properties Erf 6446 and Erf 6445, and capital funds received from the Ministry of Higher Education, Training and Innovation for the capital development of the National Council for Higher Education's new offices being constructed.		
Opening balance	42,370,645	53,228,233
Movement in deferred income	(5,786,428)	(10,857,588)
	36,584,217	42,370,645
7. Trade and payables		
Trade payables	362,516	575,845
Accrued leave & severance pay	1,853,948	1,796,612
Accrued bonus	383,383	493,365
	2,599,847	2,865,822
8. Provisions		
Reconciliation of provisions- 2022		
	Opening balance	Additions
Provision for severance pay	263,353	33,274
	263,353	296,626
Reconciliation of provisions- 2021		
	Opening balance	Additions
Provision for severance pay	267,245	(3,892)
	267,245	263,353
9. Revenue		
Government grants	22,100,000	5,100,000

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

	2022 N\$	2021 N\$
10. Other income		
Deferred Income Amortised to income	5,786,428	10,857,589
SAQAN subscriptions	296,577	482,503
Other income	124,334	260,929
	6,207,339	11,601,021
11. Investment revenue		
Interest revenue		
Interest received	348,340	600,208
12. Taxation		
The Council is registered under the Promulgation of Higher Education Act, 2003 of the Parliament of Namibia and is therefore exempted from corporate tax in terms of the said Act.		
13. Auditor's remuneration		
Fees	67,666	270,002
14. Cash used in operations		
Surplus/ (Deficit) for the year	8,145,813	(7,914,024)
Adjustments for:		
Depreciation and impairments	5,786,429	10,857,589
Interest received	(348,340)	(600,208)
Movements in provisions	33,274	(3,892)
Changes in working capital:		
Trade and other receivables	(264,921)	699
Trade and other payables	(265,975)	999,887
Deferred income	(5,786,428)	(10,857,590)
	7,299,852	(7,517,540)

National Council for Higher Education
Annual Financial Statements for the year ended 31 March 2022
Notes to the Annual Financial Statements

	2022	2021
	N\$	N\$
15. Related parties		
The Council is wholly owned by the Government through the Ministry of Higher Education, Training and Innovation hence all the government-controlled entities are related parties. All the council's related party transactions were conducted with the Ministry of Higher Education, Training, and Innovation, from which funds are received.		
Related party balances and transactions with entities with control, joint control, or significant influence over the Council.		
Related party balances		
Subsidy balances		
Capital subsidy& donation	36,584,217	42,370,645
Related party transactions		
Government subsidy		
Government subsidy and donation	22,100,000	5,100,000
Government subsidy (Transferred to income statement)	1,122,862	10,857,588
	23,222,862	15,957,588
16. Council Member's remuneration		
Non- executive		
2022	Council Members' fees	Total
For services rendered	367,973	367,973
2021	Council Members' fees	Total
For services rendered	652,756	652,756

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	<i>Notes</i>	2022 N\$	2021 N\$
Revenue			
Government and project grants		22,100,000	5,100,000
Other income	10	6,207,339	11,601,020
Interest received	11	348,340	600,208
		28,655,678	17,301,229
OPERATING EXPENSES			
		(20,509,865)	(25,215,253)
Advertising		131,409	140,644
Auditors' remuneration	13	67,666	270,002
Bank charges		29,246	21,637
Catering services		65,215	33,902
Cleaning		75,919	98,655
Computer expenses		61,287	83,056
Consulting fees		1,604,330	396,699
Depreciation, amortisation, and impairment		5,786,429	10,857,589
Donations		863	1,260
Electricity and water		251,131	219,308
Employee costs		10,812,225	11,172,227
Graduate Survey		-	127,914
Gratuity payments		44,001	-
Insurance		204,732	187,862
Motor vehicle expenses		87,412	39,321
Other expenses		82,372	86,316
Postage		4,683	2,081
Printing and stationery		166,291	304,006
Programme & Programme Review		18,763	92,205
Public lecture		-	48,570
Repairs and maintenance		27,348	13,498

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Security	113,400	130,617
Staff welfare	1,220	850
Membership fees	88,212	71,970
Telephone, fax and internet	281,325	329,621
Training	20,424	381,882
Travel-international and local	249,634	11,560
Workshop expenses	234,329	92,003
Surplus/(Deficit) before tax	8,145,813	(7,914,024)
Taxation	-	-
Surplus/(Deficit) for the period	8,145,813	(7,914,024)

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This image shows a full page of blank handwriting practice paper. It features multiple sets of horizontal lines spaced evenly down the page. Each set typically consists of three lines: a solid top line, a dashed middle line, and a solid bottom line, providing a guide for letter height and placement. The paper is otherwise completely blank, with no text or other markings.



CONTACTS

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